

# Fiscal Note

State of Alaska  
2020 Legislative Session

Bill Version:	CSSB 30(FIN)
Fiscal Note Number:	4
(S) Publish Date:	3/20/2020

Identifier: SB030CS(FIN)-UA-SYSBRA-3-17-2020  
Title: COLLEGE CREDIT FOR HIGH SCHOOL STUDENTS  
Sponsor: STEVENS  
Requester: (S) FINANCE

Department: University of Alaska  
Appropriation: University of Alaska  
Allocation: Budget Reductions/Additions - Systemwide  
OMB Component Number: 1296

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2021 Appropriation Requested	Included in Governor's FY2021 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2021	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	<b>0.0</b>	***	***	***	***	***

## Fund Source (Operating Only)

None							
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

## Positions

Full-time			***	***	***	***	***
Part-time							
Temporary							

## Change in Revenues

None	***		***	***	***	***	***
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

**Estimated SUPPLEMENTAL (FY2020) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2021) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new fund or account?** N  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? N  
If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version/comments:

This note has been updated to reflect language changes made in the Senate Finance Committee. The modifications made by the Finance Committee require the University of Alaska to make the Middle College Program available to every school district in the state that has interested and eligible students. The specific impact to the university's revenues and operating costs are still indeterminate, but costs of implementation are expected to be minimal and expected to be off-set by tuition revenue once program delivery begins.

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Phone: (907)463-3086  
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REPORTED OUT OF  
SFC 03/20/2020

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2020 LEGISLATIVE SESSION

## Analysis

This bill creates a new “Article 15 Middle College Program” within AS 14.30 establishing a program to allow eligible high school students to enroll in courses offered by University of Alaska (UA) and to earn both high school and college credit for each course satisfactorily completed.

The legislation also amends the general powers and duties of the university to authorize UA to enter into agreements with school districts for purposes of carrying out the program.

To be eligible for the new middle college program, established under AS 14.30.780, a student must be enrolled in public school, have completed 8th grade, have not been awarded a high school diploma, have demonstrated the academic ability to complete college level course work, and comply with other program requirements to be established by UA.

UA would be required to make the program available to every school district in the state that has interested and eligible students. UA would be required to enter into an agreement with each district for purposes of participating in the program. The agreement must outline the details of how program costs would be shared between the participating district and the university. A student participating in the middle college program is considered a full-time student of their district for purposes of calculating a school district’s Average Daily Membership (ADM).

UA currently operates voluntary middle college programs in partnership with the Anchorage School District (Alaska Middle College School), the Mat-Su Borough School District (Mat-Su Middle College School) and beginning this fall, the Fairbanks North Star Borough School District (North Star College). Additionally, the University of Alaska Fairbanks (UAF) operates the eCampus Advantage dual credit program in partnership with nearly 30 other school districts around the state. Fall 2019 enrollment in ASD’s program was 234 students, MSBSD’s program was 169 students, and 110 students were enrolled in UAF’s eCampus Advantage program. FNSB’s new North Star College is targeting an initial enrollment of 40 students with plans to grow that number the following year.

The university’s existing middle college programs are designed to be cost neutral to UA in that the tuition provided by the students through their school districts is sufficient to cover the university’s costs to run the program. UA cannot immediately determine how many students would be interested and eligible to participate in the middle college program if the opportunity is expanded to students within every school district. Consequently, the fiscal impact of the legislation on UA’s revenue and operating expenses cannot be determined at this time.

UAF’s eCampus Advantage program is already working with UAS and UAA to expand opportunities throughout the state. It’s anticipated that the participation agreements currently in use, can be adopted for new school districts without major modifications. While UA may incur some initial costs associated with contacting school districts, determining student interest and eligibility, and negotiating program agreements, those costs are expected to be minimal and off-set by tuition revenue once program delivery begins. The bill takes effect July 1, 2021 which provides UA a full year to engage with school districts.